

204175
July 17, 1974

MEMORANDUM

To: M/DG - Ambassador Davis
S/P - Mr. Lord
INR - Mr. Hyland
EB - Mr. Enders
S/S - Mr. Springsteen

Subject: Study on "The Effectiveness of Organizational Change" undertaken for the Commission on the Organization of the Government for the Conduct of Foreign Policy

Introduction and General Background

The National Academy for Public Administration, a non-profit organization of scholars and practitioners, Roy W. Crawley, Executive Director, is undertaking a major study under contract from the Commission on the Organization of the Government for the Conduct of Foreign Policy. The study will examine a number of attempts to reorganize various parts of the foreign affairs community in the past two decades, with the goal of better understanding the actual effects of such changes and the factors which account for those effects, anticipated and unexpected. This knowledge should help make it possible for the Commission to develop recommendations which are both informed by past experience and which can stand the test of practicality. This study is one of a number being conducted for the Commission, all of which will be used as background for its report.

Timing and Format:

This topic will be pursued through a number of case studies, under the general direction of a panel of experts which includes Amb. Edmund Gullion, Harold Seidman, Frederick C. Mosher, Warren Bennis, James W. Fesler, Wayne K. Thompson, and I. M. Destler. The cases and the investigators selected to date are:

Manlio De Angelis, "The Transition from ICA
to AID"

Leland Barrows, "The Peterson/Hannah AID
Reform Proposals"

Chester A. Crocker, "Changes in the N.S.C.
System - 1961 and 1969"

William T. McDonald, "The Wristonization Program"

William T. McDonald, "The Herter Committee Report
and its Consequences"

Erasmus Kloran, "The Evolving Role of the U.S.
Ambassador"

Dominick Del Guidice, "The Creation of the Council
on Foreign Economic Policy
(C.I.E.P.)"

Michael Harmon, "The Creation of the Arms Control
and Disarmament Agency (A.C.D.A.)"

Melbourne Spector, "Policy Planning - Improvement
Attempts"

A number of these projects will require consultation with officers of the Department who will be contacted between now and mid-September. It is anticipated that it will be possible for the investigators to obtain all the information they require on an unclassified basis, and the Commission intends that the report they prepare will be unclassified.

Contacts

The panel secretary and National Academy coordinator for the project is Melbourne Spector, telephone 659-9165. The Executive Director, Roy Crawley, may be reached at the same number. The Commission's project officer for the study is Dr. William I. Bacchus, telephone 254-9850.

William J. Galloway
William J. Galloway
Executive Assistant

July 18, 1974

MEMORANDUM

To: NEA - Mr. Atherton
INR - Mr. Hyland
S/P - Mr. Lord
S/S - Mr. Springsteen

Subject: Study on "The Coordination of Complexity in South Asia," undertaken for the Commission on the Organization of the Government for the Conduct of Foreign Policy

Introduction and General Description

The Commission on the Organization of the Government for the Conduct of Foreign Policy has contracted with Professors Lloyd I. and Susanne Hoeber Rudolph of the University of Chicago, to lead a major study on the conduct of U.S. policy toward the Indian subcontinent from 1965 to the present. The emphasis will be on the capacity of the U.S. to maintain coordination among a large number of policies which impinge upon a single region. South Asia has been selected both because of the rich variety of issues which have arisen in the period under study, and the substantial presence of a number of U.S. agencies and activities there. The goal of the study is to produce answers to the question, "How adequate are current U.S. governmental organizational forms to insure adequate coordination in complex settings, i.e., in those in which many activities of high importance are conducted simultaneously?" Ultimately, the results of this research project will be used, along with those of a number of other studies, to provide background for the Commission's recommendations.

Timing and Format

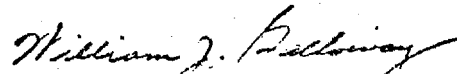
The topic will be pursued through a number of individual case studies conducted by associates of the Rudolphs (see attached list for names and topics), and many officers

in the Department who have responsibilities which include South Asia will be contacted by one or more of these researchers between now and the end of September.

The Office of Security has granted name check clearances to these researchers on a "need to know" basis for access to classified material and information up through the category of SECRET. These clearances have been given on the explicit understanding between the Commission and the Department that the use of such information will not include the citation of materials or individuals. The researchers understand that they are to read classified materials in the Department and not ask to take them away.

Professor Glynn Wood of the Graduate School of Public Administration, American University, telephone 686-2343, will be acting as local coordinator for the project, and will make every effort to provide necessary additional information and to reduce the inconvenience to those individuals the researchers desire to interview.

The Commission's project officer for this study is Dr. William I. Bacchus, Associate Research Director, telephone 254-9850.


William J. Galloway
Executive Assistant

Attachment:

As stated

Topics and Persons

Diplomatic and Strategic

Philip Oldenburg, Assistant Professor of Political Science, University of Illinois (Urbana), "The Break-Up of Pakistan and Recognition of Bangladesh."

Roger Sack, Ph.D. student, Department of Political Science, University of Chicago, "U.S. Military Assistance and the Ayub Regime."

Gerald Heeger, Assistant Professor of Political Science, University of Virginia, "U.S. Policy Toward the Bhutto Regime."

Stephen P. Cohen, Associate Professor of Political Science, University of Illinois (Urbana), "Strategic and Military Dimensions of U.S. Relations with Asia."

Economic

Harinder Shourie, M.A. student, Committee on International Relations, University of Chicago, "The United States, the World Bank and South Asia."

Anthony Moulton, Ph.D. student, Department of Political Science, University of Chicago, "The United States, IDA and South Asia."

Susan G. Hadden, Assistant Professor of Political Science, Oakland University, Rochester, Michigan, "Assessment of a Bi-Lateral Economic Policy; AID's Program in Support of the Rural Electrification Corporation."

Stanley Kochanek, Professor of Political Science, Pennsylvania State University, "U.S. Commercial Policy Toward South Asia."

James Bjorkman, Research Staff Scientist, Health Policy Project and Ph.D. student, Department of Political Science, Yale University, "PL 480 Program AID in U.S.-South Asian Relations."

Cultural and Humanitarian

Charles Lenth, Ph.D. student, Department of Political Science, University of Chicago, "The Peace Corps in U.S.-South Asian Relations."

204174

July 22, 1974

MEMORANDUM

To: T - Mr. Maw
C - Mr. Sonnenfeldt
S/P - Mr. Lord
INR - Mr. Hyland
S/AJ - Ambassador Johnson
PM - Mr. Vest
S/S - Mr. Springsteen

Subject: Study on "The Adequacy of Current Organization
for Security Policy (Defense and Arms Control)"
for The Commission on the Organization of the
Government for the Conduct of Foreign Policy

Introduction and General Background

Under contract from the Commission on the Organization of the Government for the Conduct of Foreign Policy, Professor Graham T. Allison, of Harvard University, is leading a major study on the adequacy of current organization for the conduct of policy in the Defense and Arms Control Area. He will be assisted by a number of other scholars, listed below. The objectives of the project also include assessing performance, and developing specific changes in the current organizational arrangements that would provide a more effective system for the formulation and implementation of foreign policy with respect to defense and arms control matters. The results of this study, together with a number of others also being undertaken for the Commission, will be used to provide background for the Commission's recommendations.

Timing and Format

This topic will be pursued through a number of individual case studies of specific decisions and projects, conducted by associates of Professor Allison. While a complete list of individuals and topics has not been set, it will include the following, with additional researchers and topics to be added later:

A. "The Making of Defense Budgets." Professor John P. Crecine, with others possibly to be added.

B. Weapons Acquisition.

1. "The Size and Mix of U.S. Strategic Forces in the 1960's." Professor Allison (has full clearance from DOD to TS), and Frederic A. Morris.

2. "MIRV." Allison, and possibly one other to be added.

3. "ABM." Morris, and possibly one other.

4. "Trident." John Steinbruner (has full clearance from DOD to TS).

Note: Cases in this category seem least likely to require State Department consultation, but some may be desirable. One or two additional cases may also be added.

C. Formulating Strategic Doctrine: "Nuclear Options." Professor Henry S. Rowen, Stanford Business School (has full clearance from DOD through TS).

D. Managing Alliances

1. "Troops and Costs: Offset Agreements, 1966, 1967, 1969." Gregory F. Treverton.

2. "The Production of Weapons Jointly (Skybolt)." Richard Neustadt (has full clearance through TS from DOD), Jay Philip Urwitz.

3. "The Production of Weapons Jointly (MLF)." Neustadt and Steinbruner.

4. "Base Agreements: Okinawa, 1967, 1969." Investigator to be added.

5. "Security Assistance (Aid and Sales): Taiwan." Henry B. Miller

6. "Commitments and Expectations." Thailand 1961, 1970." Earnest May (has full clearance from DOD through TS).

E. "Establishing Arms Control Positions: SALT."

1. "SALT: 1968, 1969-72, 1972-74." Burton E. Rosenthal.
2. "CBW: 1967, 1969." Investigator to be added.

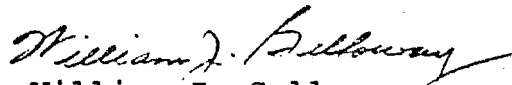
F. Others.

1. "Reorganizing Decision Making: Strengthening Unified Commands." Investigator to be added.
2. Several other cases to be added later.

While this project will focus most intensively on units of the government other than the Department of State, it is nevertheless likely that a number of the investigators will desire to conduct interviews with officers of the Department. A name check has been completed by the Office of Security for researchers listed on the basis of which they may consult documents within the State Department and discuss matters through SECRET, on a not for attribution or citation basis. Certain researchers already possessing full clearances through TOP SECRET are so indicated.

Contacts

General information on the project and the Commission can be obtained from Peter L. Szanton, Research Director, or William I. Bacchus, Associate Research Director, both at 254-9850. John Treat of the Commission Staff is acting as local coordinator for the research project and will be largely responsible for making necessary arrangements. He can also be reached at 254-9850.


William J. Galloway
Executive Assistant

DEPUTY UNDER SECRETARY OF STATE
FOR MANAGEMENT
WASHINGTON

July 25, 1974

To: ARA-LA - Mr. Kubisch
S/P - Mr. Lord
INR - Mr. Hyland
EB - Mr. Enders
S/FW-COA
S/S - Mr. Springsteen

Subject: Study for the Commission on the Organization of the Government for the Conduct of Foreign Policy on "The Making of U.S. Policies Toward Latin America: The Variables Affecting 'Routine' Relations"

Introduction and General Background

Dr. Abraham F. Lowenthal, of the Center for International Studies of Princeton University and the Council on Foreign Relations, is undertaking, in association with several colleagues, a major study for the Commission on the Organization of the Government for the Conduct of Foreign Policy. This study, which employs Latin America as a geographic focus, is intended to assess the relevance and utility of those "routine" activities which form the bulk of U.S. relations with most countries and of the means by which they are conducted. The results of this study, together with those of a number of others also being undertaken for the Commission, will be used to provide background for the Commission's recommendations.

Timing and Format

This topic will be pursued through a number of individual case studies of specific decisions and projects, conducted by associates of Dr. Lowenthal. The individuals and their projects include the following, with the possibility that one or two additional case studies will be added at a later date:

Dr. Edward Gonzalez, UCLA, "The 200-Mile Fishing Rights Controversy."

Mr. Gregory F. Treverton, Harvard, "The International Petroleum Company (IPC) Case."

Mr. Harry Weiner, Harvard, "The Role of Non-Governmental Interest Groups in U.S. Policy Toward Latin America: Brazil's 'Fifth Institutional Act'."

Mr. Harry Weiner, Harvard, "Personnel Skills and Requirements in the Middle-Range Bureaucracy."

Mr. Robert Pastor, Harvard University, "Sugar Politics: Domestic Causes and International Consequences."

It is likely that all of these researchers will desire to consult with officers in the Department who are knowledgeable about one or more of the topics in question, at some time between now and November. The Office of Security has granted name check clearances to these researchers on a "need to know" basis for access to classified material and information up through the category of SECRET. These clearances have been given on the explicit understanding between the Commission and the Department that the use of such information will not include the citation of materials or individuals. The researchers understand that they are to read classified materials in the Department and not ask to take them away.

Contacts

General information on the project and the Commission can be obtained from Peter L. Szanton, Research Director, or William I. Bacchus, Associate Research Director, both at 254-9850. Mr. Robert Pastor, one of the researchers on the project, is acting as local coordinator for the study, and will be largely responsible for making necessary arrangements. He can also be reached at 254-9850.

William J. Galloway
William J. Galloway
Executive Assistant

MEMORANDUM

TO :

FROM :

SUBJECT: Study on "The Adequacy of Current Organization:
Interaction of U.S. and Foreign Economies,"
undertaken for the Commission on the Organization
of the Government for the Conduct of Foreign Policy

Introduction and General Description

The Commission on the Organization of the Government for the Conduct of Foreign Policy has contracted with Mr. Edward K. Hamilton, President, Griffenhagen-Kroeger, Inc., public management consultants, to lead a major study on the adequacy of current organization for the conduct of policy in the Economic area. Mr. Hamilton will be assisted by a number of consultants, all employees of Griffenhagen-Kroeger, as listed below. The objectives of the project also include assessing performance, and developing specific changes in the current organizational arrangements that would provide a more effective system for the formulation and implementation of foreign policy with respect to economic matters. The results of this study, together with a number of others also being undertaken for the Commission, will be used to provide background for the Commission's recommendations.

Timing and Format

This topic will be pursued through a number of individual case studies of specific decisions and projects, conducted by

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associates of Mr. Hamilton. The current list of topics
and researchers is as follows:

1. The decision to terminate AID development lending to India (1971), Joan Hochman.
2. The suspension of AID's "additionality" rule (1969), William Seelbach.
3. The dollar devaluations of 1971 and 1973, Elizabeth Stabler.
4. One decision dealing with the effort to enter into trade with the Soviet Union, possibly the 1967 proposal for an East-West trade bill, Edward Skloot.
5. The imposition of import quotas on Canadian oil, (1970), Katheryn Voight.
6. The suspension of all import quotas on oil (1973), Katheryn Voight and Linda S. Graebner.
7. Two key decisions dealing with international monetary reform: (a) the decision to favor the creation of a man-made reserve assist (1965); and (b) the announcement of post SDR-U.S. objectives (1972).
8. The development of the U.S. position during the textile dispute with Japan (1970-'71), Peter Henschel.

9. The evolving role of the President's Special Trade Representative. Anne Rightor-Thornton.
10. Two domestic tax decisions with substantial implications for foreign economic policy;
 - (a) President Johnson's decision not to propose a tax increase in 1966; and
 - (b) President Nixon's decision to announce "new economic policy" in 1971.

Matthew Golden.

While this project will focus most intensively on units of the government other than the Department of State, it is nevertheless likely that a number of investigators will desire to conduct interviews with officers of the Department. A name check has been completed by the Office of Secretary for the researchers listed, on the basis of which they may consult documents within the State Department and discuss matters through SECRET, on a not for attribution or citation basis.

Contacts:

General information on the project and the Commission can be obtained from Peter L. Szanton, Research Director, or William I. Bacchus, Associate Research Director, both at 254-9850. Elizabeth Stabler, of this project's staff, is acting as local coordinator for the research project and can be reached at 232-3236.

May 23, 1974

Title of Proposed Study: Minimizing "Irrationality"
in Foreign Policy-making

Introduction

Alexander L. George proposes to undertake for the Commission on the Organization of the Government for the Conduct of Foreign Policy a study on minimizing "irrationality" in foreign policy making.

I. Objectives

The proposed study will follow closely the general purpose and scope of Study II.C, "Minimizing Irrationality," which was briefly described on page 13 of "The Commission's Studies Program" (3/21/74). To this end four interrelated objectives are set forth for the proposed study, as follows:

A. Identify and Differentiate Sources of "Irrationality"

"Irrationality" is a term loosely applied to a variety of quite different behavioral phenomena. The proposed study will avoid a narrow psychiatric approach to this problem. Instead, it will draw more broadly upon relevant work in political, behavioral, and psychological sciences in order to identify the variety of situational factors and behavioral patterns that can interfere with optimal procedures of search, evaluation, and choice in policy-making.

Impediments to "rationality" in policy-making can emerge (a) from certain dynamics of individual behavior; (b) from dynamics of small group behavior that affect the performance of policy-making tasks by advisers and staff personnel; and (c) from organizational and bureaucratic behavior in complex organizations such as the Executive Branch. Impediments to rationality often arise from these three sources during the course of efforts to cope with stressful experiences encountered in decision-making and policy implementation.

The study will draw together in a detailed, systematic way available knowledge regarding the variety of maladaptive ways with which individuals, small groups, and organizations often attempt to cope with different kinds of stress. The following sources of maladaptive adjustments to stress will be examined:

- (1) Maladaptive responses to "cognitive stress" and "value stress" generated by the intellectual difficulty of dealing with the well-known limits on the ability to evaluate the expected consequences of policy alternatives in order to decide which course of action is "best";
- (2) Maladaptive ways of coping with stress generated in international crises and when making fundamental foreign policy choices in non-crisis situations by the perception of major threats to important national (and personal) values;
- (3) Maladaptive adjustments to stress generated by organizational and role conflicts experienced by individuals occupying key points in the policy-making system;
- (4) Maladaptive ways of coping with the psychological and physiological effects of fatigue;
- (5) Maladaptive responses to "secrecy" on the part of those who do and do not have access to highly classified information (including the related question of the adverse impact differential access can have on the working relationships of those participating in the policy-making system).

B. Impact on Policy-making Tasks

While knowledge of the sources of possible impediments to rational policy-making is of some value, it cannot easily be utilized to prevent the occurrence of potentially disruptive individual, small group, or organizational dynamics. Rather, the emphasis must be on neutralizing, or compensating for, the adverse impact various sources of "irrationality" can have upon policy-making. Accordingly, the proposed study will attempt to indicate in some detail how different kinds of impediments to "rationality" manifest themselves at what points in the search for effective policies and their implementation.

The study will draw together available knowledge of this kind with the expectation (1) that it will serve to sensitize participants in policy-making to the problem, thereby improving their ability to recognize in a timely fashion the intrusion of disruptive factors on policy-making tasks, and (2) that it will help those who specialize in developing and managing policy-making

systems to devise strategies for timely and appropriate "interventions" to prevent such factors from having a damaging effect on the search for effective policies and decisions.

C. Implications for Monitoring and Managing the Policy-making Process

Having identified the types of "malfunctions" a policy-making system can suffer via intrusion of different kinds of "irrationalities", the study will indicate ways in which the tendencies toward such intrusions might be countered. Such recommendations will emphasize means of monitoring the policy-making process in order to obtain timely identification of emergent malfunctions and to undertake appropriate corrective or countervailing actions. These critical role tasks must be infused into the definition of roles to be performed by certain participants in the policy-making system.

Thus the study will focus most closely on minimization of "irrationality" through close monitoring and effective management of the day-to-day workings of the policy-making system. This is in sharp contrast to the traditional practice of relying upon periodical structural reorganization of the policy-making system whenever sufficient dissatisfaction with its performance has accumulated. The recommendation of certain structural changes is not precluded, however.

D. Variation in Executive Operating Styles

The study will take into account that each executive is likely to have a somewhat different notion as to the kind of policy-making system and procedures he wishes to create around himself, feels comfortable with, and can utilize. This observation has become part of the conventional wisdom in recent years, but its full implications for the design and management of policy-making systems remains to be determined. This objective is of importance not only for Study II.C but possibly in other studies undertaken by the Commission as well.

It is questionable wisdom to try (as specialists in organization and public administration have advocated in the past) to impose a single standardized model of policy-making on each executive. The proposed study, it will be noted, is entirely consistent in this respect with the observation on page 4 of the Commission's Studies Program to the effect that organizations "should be designed to fit the operating styles of their key individuals, and not vice versa."

Accordingly, the proposed study will move in the direction of developing somewhat different models of policy-making that are appropriate to the distinctive management "styles" of different executives.

II. Methodology/Approach

A large body of relevant empirical and theoretical work in political, behavioral, and psychological sciences will be screened and evaluated from the standpoint of the objectives of the study. Several detailed appraisals of this kind have been made in recent years by the principal investigator and other scholars. The proposed study will draw upon them and supplement with additional library research and consultation with specialists in these several fields in order to expedite the search for relevant up-to-date high quality material.

Where appropriate and feasible -- and in consultation with the Commission's research director -- the principal investigator will arrange to interview current and former foreign policy officials in order to obtain additional information and judgment bearing on the objectives of the study.

The principal investigator plans to draw into the study the contribution of a number of part-time consultants. A preliminary conference will be held in mid-June with some six specialists to help plan the study in more detail.

The principal investigator will be responsible for requesting specific inputs to the study from consultants and for integrating them into the final report.

III. Personnel

A relatively large number of specialists will be contacted during the course of the study. Some will be asked for specific inputs on a consulting basis. Decisions on this will be made after the planning conference, and will depend of course on how much time the persons in question have available, what they are interested in doing, how well it will contribute to the objectives of the study. Among those who have indicated interest in attending the mid-June planning conference and who have some available time for possible consulting during the summer are Charles Hermann, Ole Holsti, Robert Jervis, Richard Smoke, and John Steinbruner.

In addition, Graham Allison and Irving Janis (?) -- both currently at the Center for Advanced Study in the Behavioral Sciences at Stanford -- will sit in on at least part of the planning conference. Other specialists who will be contacted include Thomas Schelling, Lincoln Bloomfield, Doris Kearns, David Hamburg, Chris Argyris, Eugene Webb, James March, Richard T. Johnson.

IV. Administrative Arrangements

Alexander L. George will direct the study and will be the principal investigator. He will work virtually full time on the study from mid-June to the end of September, and one or two days a week as necessary thereafter until completion of the final report towards the end of December.

The contract will be administered by Stanford University.

V. Finished Product

The final report will reflect the objectives of the study and discuss the relevant materials and findings in considerable detail. The report will include a general statement of conclusions and recommendations of approximately 10-20 pages. The report as a whole can be expected to be well over 100 pages.

VI. Schedule

- a. Final project outline -- July 15
- b. detailed progress report -- August 15
- c. a substantial review draft -- October 15
- d. final report -- December 20.

[This schedule is tentative and permits of some adjustments.]

VII. Budget